

TERRY E. BRANSTAD GOVERNOR

KIM REYNOLDS LT. GOVERNOR

April 12, 2012

The Honorable Matt Schultz Secretary of State of Iowa State Capitol Building LOCAL

Dear Mr. Secretary:

I hereby transmit:

House File 2427, an Act relating to electrical and mechanical amusement devices concerning liability for device distributors and penalties for awarding cash prizes for the use of, or for failing to include a security mechanism on, electrical or mechanical amusement devices.

The above House File is hereby approved this date.

Sincerely,

Terry E. Branstad

Governor

cc: Secre

Secretary of the Senate

Clerk of the House



House File 2427

AN ACT

RELATING TO ELECTRICAL AND MECHANICAL AMUSEMENT DEVICES

CONCERNING LIABILITY FOR DEVICE DISTRIBUTORS AND PENALTIES

FOR AWARDING CASH PRIZES FOR THE USE OF, OR FOR FAILING TO

INCLUDE A SECURITY MECHANISM ON, ELECTRICAL OR MECHANICAL

AMUSEMENT DEVICES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 99B.10, Code 2011, is amended by adding the following new subsection:

NEW SUBSECTION. 5. Notwithstanding any provision of this section to the contrary, a distributor shall not be liable for a violation of this section unless the distributor, or an employee of the distributor, intentionally violates a provision of this section.

- Sec. 2. Section 99B.10B, subsection 1, Code 2011, is amended to read as follows:
- 1. <u>a.</u> The department may deny, suspend, or revoke a registration issued pursuant to section 99B.10 or 99B.10A, if the department finds that an applicant, registrant, or an agent of a registrant violated or permitted a violation of a provision of section 99B.10, 99B.10A, or 99B.10C, or a departmental rule adopted pursuant to chapter 17A, or for any other cause for which the director of the department would be or would have been justified in refusing to issue a registration, or upon the conviction of a person of a violation of this chapter or a rule adopted under this chapter which occurred on the premises where the registered amusement device is or is to be located. However, the denial, suspension, or revocation of a registration for one amusement device does not require, but may result in, the denial, suspension, or